

# **EXHIBIT 1**

2011.01.05 Trial Transcript Day 2 1/5/2011 2:53:00 PM

<p>258</p> <p>1 IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA 2 RICHMOND DIVISION 3 ----- 4 ePLUS, INC., : 5 : 6 Plaintiff, : 7 v. : Civil Action 8 : No. 3:09CV620 9 LAWSON SOFTWARE, INC., : 10 : January 5, 2011 11 Defendant. : 12 ----- 13 14 COMPLETE TRANSCRIPT OF JURY TRIAL 15 BEFORE THE HONORABLE ROBERT E. PAYNE 16 UNITED STATES DISTRICT JUDGE, AND A JURY 17 18 APPEARANCES: 19 Scott L. Robertson, Esq. 20 Jennifer A. Albert, Esq. 21 Michael T. Strapp, Esq. 22 David M. Young, Esq. 23 GOODWIN PROCTOR 24 901 New York Avenue, NW 25 Washington, D.C. 20001 Craig T. Merritt, Esq. CHRISTIAN &amp; BARTON 909 E. Main Street, Suite 1200 Richmond, VA 23219-3095  Counsel for the plaintiff ePlus  DIANE J. DAFFRON, RPR OFFICIAL COURT REPORTER UNITED STATES DISTRICT COURT</p>	<p>260</p> <p>1 (The proceedings in this matter commenced at 2 9:30 a.m.) 3 THE CLERK: Civil Action No. 3:09CV00620, 4 ePlus, Incorporated v. Lawson Software, Incorporated. 5 Mr. Scott L. Robertson, Mr. Craig T. Merritt, 6 Ms. Jennifer Albert, Mr. Michael T. Strapp, and 7 Mr. David Young represent the plaintiff. 8 Mr. Daniel W. McDonald, Mr. Dabney J. Carr, 9 IV, Ms. Kirstin Stoll-DeBell, and Mr. William D. 10 Schultz represent the department. 11 Are counsel ready to proceed? 12 MR. ROBERTSON: Yes, Your Honor. 13 MR. McDONALD: Yes, Your Honor. 14 THE COURT: All right. Good morning, ladies 15 and gentlemen. 16 THE JURY: Good morning. 17 THE COURT: All right, Mr. Robertson, you may 18 resume your examination of the witness. 19 MR. ROBERTSON: Thank you, Your Honor. 20 THE COURT: And I remind you, sir, you're 21 under the same oath which you took yesterday. 22 THE WITNESS: Yes, sir. 23 BY MR. ROBERTSON: (Continuing) 24 Q MR. Momyer, we spent a good deal of time yesterday 25 discussing this RIMS system which you were named</p>
<p>259</p> <p>1 APPEARANCES: (Continuing) 2 Daniel W. McDonald, Esq. 3 Kirstin L. Stoll-DeBell, Esq. 4 William D. Schultz, Esq. 5 MERCHANT &amp; GOULD 6 3200 IDS Center 7 80 South Eighth Street 8 Minneapolis, MN 55402-2215 9 Dabney J. Carr, IV, Esq. 10 TROUTMAN SANDERS 11 Troutman Sanders Building 12 1001 Haxall Point 13 P.O. Box 1122 14 Richmond, VA 23218-1122 15 16 Counsel for the defendant Lawson Software. 17 18 19 20 21 22 23 24 25</p>	<p>261</p> <p>1 inventor along with Mr. Johnson. Do you recall that? 2 A Yes, I do. 3 Q I'd like to move on now to this electronic 4 sourcing system and method, the inventions that are 5 subject of the patents that are at issue here if we 6 could. All right? 7 A Okay. 8 Q Tab 1 in your witness notebook, I believe it's 9 Plaintiff's Exhibit No. 1, if you could go to column 10 1. 11 THE COURT: That's also in your small book 12 there if you need to. 13 Q And tab 2. Thank you. 14 So we're on column 1 now of the '683 patent, 15 Exhibit No. 1. Now, suggestion was made yesterday 16 that the Patent Office was unaware of the RIMS patent. 17 Did you disclose the RIMS patent to the Patent Office? 18 A Yes, I believe so. 19 MR. McDONALD: Objection, Your Honor. This 20 is going to the validity issue. Again, I thought we 21 were going to stick with infringement. 22 THE COURT: Isn't it? 23 MR. ROBERTSON: No, Your Honor. 24 THE COURT: Why does it have to do with 25 infringement?</p>

2011.01.05 Trial Transcript Day 2 1/5/2011 2:53:00 PM

<p style="text-align: right;">506</p> <p>Weaver - Direct 506</p> <p>1 Q That is an important aspect of the invention in your view?</p> <p>2 A Yes, it is.</p> <p>3 Q Dr. Weaver, in determining and preparing your expert</p> <p>4 reports in this case, and in preparing the opinions that you're</p> <p>5 going to be offering, did you consider what a person of</p> <p>6 ordinary skill in the art would be in the subject matter of</p> <p>7 these patents?</p> <p>8 A Yes, I did.</p> <p>9 Q Why did you do that?</p> <p>10 A Well, it's required that the patents be seen from the lens</p> <p>11 of this hypothetical person of ordinary skill in the art.</p> <p>12 That's a person who can read and understand the patents and</p> <p>13 implement whatever is there.</p> <p>14 Q Now, this person of ordinary skill in the art from which</p> <p>15 we have to view these patents at issue and the claims that</p> <p>16 we're going to be talking about, is this a real person or a</p> <p>17 hypothetical construct?</p> <p>18 A It's a hypothetical construct.</p> <p>19 Q And when you look at and try to determine who this person</p> <p>20 of ordinary skill in the art would be, what time frame were you</p> <p>21 looking at?</p> <p>22 A Well, that has to be -- in the case of these patents, that</p> <p>23 would have to be 1993 to 1994, during the period of the</p> <p>24 invention.</p> <p>25 Q And is that when the patents were conceived and then</p>	<p style="text-align: right;">508</p> <p>Weaver - Direct 508</p> <p>1 to be offering in this case both on the issue of infringement</p> <p>2 and on the issue of validity?</p> <p>3 A Yes, I did.</p> <p>4 Q Did you have an opportunity to review who the hypothetical</p> <p>5 person of ordinary skill in the art would be under Lawson's</p> <p>6 expert's perspective?</p> <p>7 A Yes, and it's similar.</p> <p>8 MR. ROBERTSON: Mr. McDonald, do you want to agree on</p> <p>9 that if we can at this point?</p> <p>10 MR. McDONALD: I thought we already did.</p> <p>11 MR. ROBERTSON: All right.</p> <p>12 THE COURT: I thought you stipulated that, haven't</p> <p>13 you?</p> <p>14 The person of ordinary skill in the art, ladies and</p> <p>15 gentlemen, is something you'll hear from these experts, and</p> <p>16 it's been explained what it is, and there'll be instructions</p> <p>17 for you later, but that person is a person, the parties</p> <p>18 agree -- excuse me -- who is a college graduate with a degree</p> <p>19 in computer science or electrical engineering or like studies</p> <p>20 with a year or so of experience writing software and</p> <p>21 understanding -- and who understands the procurement process,</p> <p>22 electronic procurement process; is that right, counsel?</p> <p>23 MS. STOLL-DeBELL: I think it's close enough, Your</p> <p>24 Honor.</p> <p>25 THE COURT: Good enough for government work.</p>
<p style="text-align: right;">507</p> <p>Weaver - Direct 507</p> <p>1 reduced to practice?</p> <p>2 A Correct.</p> <p>3 Q And you are familiar that the filing date of this patent,</p> <p>4 these patents has what's called a priority date back to 1994?</p> <p>5 A Yes.</p> <p>6 Q Can you tell the jury what you understand that term to</p> <p>7 mean, a priority date?</p> <p>8 A That means that the protection of the patents that we'll</p> <p>9 talk about later, what the claims mean, goes back to that date,</p> <p>10 the filing date.</p> <p>11 Q So in undertaking your study of these patents to determine</p> <p>12 who this hypothetical person of ordinary skill in the art would</p> <p>13 be for purposes of viewing the context, the historical context</p> <p>14 where these patents were, did you come to any conclusions?</p> <p>15 A I did.</p> <p>16 Q And can you tell us what your opinion is as to who this</p> <p>17 hypothetical person of ordinary skill in the art would be for</p> <p>18 these ePlus patents?</p> <p>19 A So based on my experience, this person would be a college</p> <p>20 graduate with a degree in computer science or something</p> <p>21 related, like electrical engineering, and would have a year or</p> <p>22 two of practical experience with writing software and</p> <p>23 understanding the flow of information that is necessary for the</p> <p>24 purchase of goods and services.</p> <p>25 Q And did you apply that person to the opinions you're going</p>	<p style="text-align: right;">509</p> <p>Weaver - Direct 509</p> <p>1 MS. STOLL-DeBELL: I think so.</p> <p>2 Q Let me ask you this: Are you familiar with that person of</p> <p>3 that level of skill and knowledge during the time period we're</p> <p>4 discussing?</p> <p>5 A Yes. I was teaching people like that.</p> <p>6 Q In the 1993 time frame?</p> <p>7 A Right, 1993, 1994, yes.</p> <p>8 Q Did you work on any projects during that period for any</p> <p>9 companies in which the subject, type of subject matter of this</p> <p>10 might involve persons who had similar experience and education?</p> <p>11 A Right. So I mentioned this research project. There was</p> <p>12 this company call Epcor that wanted to build an electronic</p> <p>13 distributorship, and so they came to my research group, and the</p> <p>14 person I hired to work on this was two years out of the</p> <p>15 computer science bachelor's degree, and she and I worked on the</p> <p>16 design of this system whereby there was an electronic catalog,</p> <p>17 and a consumer using the internet could look at the catalog and</p> <p>18 could order from it and kind of a rudimentary inventory</p> <p>19 management.</p> <p>20 Q Why don't we go to Plaintiff's Exhibit Number 1.</p> <p>21 THE COURT: Are you going to get into infringement</p> <p>22 opinions now?</p> <p>23 MR. ROBERTSON: I'm going to get into a little bit</p> <p>24 more about high level overview, and then I'm going to start</p> <p>25 looking at specific claims, Your Honor, within a few pages.</p>

	514
1	(Court adjourned.)
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

2011.01.06 Trial Transcript Day 3 1/6/2011 3:03:00 PM

<p>515</p> <p>1 IN THE UNITED STATES DISTRICT COURT 2 FOR THE EASTERN DISTRICT OF VIRGINIA 3 RICHMOND DIVISION 4 ----- 5 ePLUS, INC., : 6 : 7 Plaintiff, : 8 v. : Civil Action 9 : No. 3:09CV620 10 LAWSON SOFTWARE, INC., : 11 : January 6, 2011 12 Defendant. : 13 ----- 14 15 COMPLETE TRANSCRIPT OF JURY TRIAL 16 BEFORE THE HONORABLE ROBERT E. PAYNE 17 UNITED STATES DISTRICT JUDGE, AND A JURY 18 19 APPEARANCES: 20 Scott L. Robertson, Esq. 21 Jennifer A. Albert, Esq. 22 Michael T. Strapp, Esq. 23 David M. Young, Esq. 24 GOODWIN PROCTOR 25 901 New York Avenue, NW Washington, D.C. 20001 Craig T. Merritt, Esq. CHRISTIAN &amp; BARTON 909 E. Main Street, Suite 1200 Richmond, VA 23219-3095  Counsel for the plaintiff ePlus  DIANE J. DAFFRON, RPR OFFICIAL COURT REPORTER UNITED STATES DISTRICT COURT</p>	<p>517</p> <p>1 (The proceedings in this matter commenced at 2 9:20 a.m.) 3 THE CLERK: Civil Action No. 3:09CV00620, 4 ePlus, Incorporated v. Lawson Software, Incorporated. 5 Mr. Scott L. Robertson, Mr. Craig T. Merritt, 6 Ms. Jennifer A. Albert, Mr. Michael T. Strapp, and Mr. 7 David M. Young represent the plaintiff. 8 Mr. Daniel W. McDaniel, Mr. Dabney J. Carr, 9 IV, Ms. Kirstin L. Stoll-DeBell, and Mr. William D. 10 Schultz represent the defendant. 11 Are counsel ready to proceed? 12 MR. ROBERTSON: Yes, Your Honor. 13 MR. McDONALD: Yes, Your Honor. 14 THE COURT: All right. Thank you very much. 15 I apologize for keeping you-all waiting this 16 morning. I had a mechanical malfunction that I needed 17 to attend to, and I'm not very mechanically oriented. 18 All right, Mr. Robertson. 19 Dr. Weaver, I remind you you're under the 20 same oath which you took yesterday. 21 THE WITNESS: Yes, Your Honor. 22 BY MR. ROBERTSON: (Continuing) 23 Q Good morning, Dr. Weaver. 24 A Good morning. 25 Q If we could have Plaintiff's Exhibit No. 1 back up</p>
<p>516</p> <p>1 APPEARANCES: (Continuing) 2 Daniel W. McDonald, Esq. 3 Kirstin L. Stoll-DeBell, Esq. 4 William D. Schultz, Esq. 5 MERCHANT &amp; GOULD 6 3200 IDS Center 7 80 South Eighth Street 8 Minneapolis, MN 55402-2215 9 Dabney J. Carr, IV, Esq. 10 TROUTMAN SANDERS 11 Troutman Sanders Building 12 1001 Haxall Point 13 P.O. Box 1122 14 Richmond, VA 23218-1122 15 16 Counsel for the defendant Lawson Software. 17 18 19 20 21 22 23 24 25</p>	<p>518</p> <p>1 on the screen again, the '683 patent, the cover page 2 here. 3 Dr. Weaver, the jurors have seen this exhibit now 4 several times and it's in their jury notebooks. This 5 is at tab 2. Can you just tell us what is the title 6 of the patent? 7 A Electronic Sourcing System and Method. 8 Q Has the Court defined the term "electronic 9 sourcing system"? 10 A Yes, it has. 11 Q What's your understanding as to what that 12 construction is? 13 A In the glossary of claim terms, the "electronic 14 sourcing system" has been defined by the Court to be 15 an electronic system for use by a prospective buyer to 16 locate and find items to purchase from sources, 17 suppliers or vendors. 18 Q What is your understanding of what a source is, 19 sir? 20 A A source would be a vendor or a manufacturer or a 21 distributor. 22 Q In the Court's construction of the claim term 23 "catalog" or "product catalog," how does the Court 24 define what a vendor can be? 25 A The vendor, in the Court's construction, a vendor</p>

<p>631</p> <p>1 A Yes, you can.</p> <p>2 Q Now that we've gone through some of the various -- and</p> <p>3 overviewed some of the various different Lawson Software</p> <p>4 modules that can be used to implement these electronic</p> <p>5 procurement systems, do you have any demonstrations that you'd</p> <p>6 like to do to show the Lawson system in operation?</p> <p>7 A First demonstration would show the category search</p> <p>8 feature.</p> <p>9 Q And you have this, these demonstrations, as I understand,</p> <p>10 both in captured screen shots -- is that right -- captured</p> <p>11 software and also in hard copies?</p> <p>12 A That's right.</p> <p>13 MR. ROBERTSON: Your Honor, I'm going to be offering</p> <p>14 both those for ease of review at the appropriate time.</p> <p>15 Q How were you able to capture a demonstration of the system</p> <p>16 using the Lawson Software?</p> <p>17 A So Lawson provided a demonstration system that included</p> <p>18 these modules that we've been talking about, and it runs on a</p> <p>19 laptop. So we used -- we practiced to get the demo correct in</p> <p>20 the sense that it showed what I wanted it to show, and then we</p> <p>21 used software that was present on the machine that we were</p> <p>22 given that did a realtime recording of whatever was on the</p> <p>23 screen. So it's a realtime movie capture.</p> <p>24 Q Who provided that software?</p> <p>25 A That was provided by Lawson on the machine we got. So as</p>	<p>633</p> <p>1 A Yes, I'm aware of that.</p> <p>2 Q And what was your understanding as to what the outcome of</p> <p>3 that was when the requests were made?</p> <p>4 A Well, I don't know the details. What I know is that</p> <p>5 eventually a Lawson consultant was hired to help load some</p> <p>6 additional data. Even so, three of the demonstrations that I'm</p> <p>7 going to give were on the system as provided by Lawson. Only</p> <p>8 one needed additional data loaded.</p> <p>9 Q And a Lawson employee or personnel worked with ePlus</p> <p>10 personnel to help them load additional data -- excuse me.</p> <p>11 Worked with ePlus's counsel to load additional data on this</p> <p>12 laptop for that one presentation?</p> <p>13 A That's my understanding.</p> <p>14 Q Now, based on the documents you've reviewed and based on</p> <p>15 testimony reviewed, do these Lawson accused procurement systems</p> <p>16 typically come with lots of item data?</p> <p>17 A Well, when the database is loaded, the witnesses said that</p> <p>18 there are typically hundreds of catalogs and thousands,</p> <p>19 sometimes tens of thousands of items.</p> <p>20 Q So with that kind of robust data in the database, it's</p> <p>21 easier to show the full functionality of the system; is that</p> <p>22 fair to say?</p> <p>23 A That's fair to say. However, we're going to do it.</p> <p>24 Q All right. Then as I understand it, three of the four</p> <p>25 demonstrations were just as the laptop was provided to counsel</p>
<p>632</p> <p>1 we did these demonstrations, we used that Lawson-provided</p> <p>2 software to create a realtime movie which we saved and which</p> <p>3 now we're going to play back.</p> <p>4 Q Did that laptop come with item data?</p> <p>5 A Well, it came with some item data which turns out to be an</p> <p>6 issue. The database that we were provided from Lawson was</p> <p>7 actually pretty sparse, so, yes, it had some items in there,</p> <p>8 but it wasn't fleshed out like a production system would be.</p> <p>9 Q In order to demonstrate some of the capabilities and</p> <p>10 functionality of, say, comparison shopping or using the UNSPSC</p> <p>11 codes to identify goods that are similar, identical, or</p> <p>12 generally equivalent, do you need data, item data in the</p> <p>13 database to demonstrate that?</p> <p>14 A Absolutely.</p> <p>15 Q And if you don't have, for example, a sufficient number of</p> <p>16 black pens to compare, or if you have only have one black pen</p> <p>17 and you're searching for black pens, can you demonstrate some</p> <p>18 of the functionality of the system if that item data is not</p> <p>19 there?</p> <p>20 A That's right. Without equivalent items, there are no</p> <p>21 equivalent items to be found.</p> <p>22 Q So were you aware that a request was made to Lawson to</p> <p>23 provide additional data on this demonstration laptop that they</p> <p>24 gave us so that we could demonstrate the functionality of the</p> <p>25 system?</p>	<p>634</p> <p>1 for ePlus?</p> <p>2 A Yeah. We could say out of the box, the box being the</p> <p>3 laptop.</p> <p>4 Q One being with the additional data that Lawson assisted</p> <p>5 ePlus's counsel in loading; is that right?</p> <p>6 A That's correct.</p> <p>7 Q The first demonstration you have, what do you want to</p> <p>8 illustrate?</p> <p>9 A I want to illustrate the category search in which we can</p> <p>10 find generally equivalent items and then we can find other</p> <p>11 items and build a requisition, and then we can build one or</p> <p>12 more purchase orders from that requisition.</p> <p>13 Q Okay. And did you direct the preparation of this</p> <p>14 demonstration?</p> <p>15 A Yes, I did.</p> <p>16 Q All right. If we can, before we do that, just so we can</p> <p>17 orient the jury as to what they're going to see, can we see</p> <p>18 claim three and claim 28 side by side on the screen?</p> <p>19 Now, both these claims, claim three being the system claim</p> <p>20 and claim 28 being a method claim, has this element concerning</p> <p>21 converting data relating to a selected matching item and</p> <p>22 associated source to data relating to an item in a different</p> <p>23 source; do you see that?</p> <p>24 A Yes. That's the sixth element.</p> <p>25 Q The Judge has construed both these claim terms; correct?</p>

<p>635</p> <p>1 A Yes.</p> <p>2 Q And I'm not going to go through it again because we read</p> <p>3 them at one point, but the jury has them in their glossary.</p> <p>4 And, of course, all the other elements need to be there as</p> <p>5 well. Are we going to be seeing, as we walk through this</p> <p>6 demonstration, the existence of these other elements that you</p> <p>7 described?</p> <p>8 A Yes.</p> <p>9 Q Why don't you go ahead.</p> <p>10 A All right. So Mike is going to play this movie, and</p> <p>11 you'll see there are some waits involved in here, but that's</p> <p>12 just because it's recording exactly what was seen.</p> <p>13 Q Stop here for a second and let me ask you a question here.</p> <p>14 There's a box in the lower right-hand corner. Is that part of</p> <p>15 the Lawson system or not part of the Lawson system?</p> <p>16 A That was part of the system provided, and it's part of the</p> <p>17 realtime capturing software, so you can -- what's showing --</p> <p>18 can you see this? So what you are seeing right now is a clock</p> <p>19 that says we're 12.4 seconds into the movie, and then there's a</p> <p>20 button that if you were on the real laptop, you could click it</p> <p>21 and it would toggle from pause to play to pause to play. We've</p> <p>22 chosen just to let it play.</p> <p>23 Q If we wanted to --</p> <p>24 MR. McDONALD: Your Honor, could I get a</p> <p>25 clarification on which exhibit, and is there a paper version of</p>	<p>637</p> <p>1 A Sure. Exactly. So I'm going to go down and click on</p> <p>2 Lawson portal. Continue. Now, this is one of those waits.</p> <p>3 Okay. We get to the Lawson log-in screen. So we put in the</p> <p>4 user name and password and then click on log in. This will be</p> <p>5 one of those longer waits. You can see the time clicking away</p> <p>6 in the bottom right-hand corner.</p> <p>7 Stop. So now we are at the Lawson home page, and if you</p> <p>8 are familiar with browsers, you see up here, there is the URL</p> <p>9 that we're using. LSF server, that's Lawson server foundation,</p> <p>10 that's what we talked about before. Server.corpnet.lawson.com.</p> <p>11 So we're looking at the portal.</p> <p>12 Q All right, you used the term URL. Can you explain to the</p> <p>13 jurors what you mean by that?</p> <p>14 A Falling back into my vernacular. Universal resource</p> <p>15 locator, so commonly called a web address. Okay, so we can</p> <p>16 continue. Top. Stop. That was stop, not top. Here's another</p> <p>17 one of those drop-down menus. So on the left-hand side, I have</p> <p>18 a menu. One of the top level choices was requisition self</p> <p>19 service. So I'm going into the RSS module, and I'm picking one</p> <p>20 of the activities that is there. This is one of the</p> <p>21 capabilities. All right, so I'm going to click on the shopping</p> <p>22 selection. Continue.</p> <p>23 Stop. So, now we come to the shopping screen. Again, if</p> <p>24 you look up here at the top, you will see there are some</p> <p>25 choices that can be made. These are, again, top levels of what</p>
<p>636</p> <p>1 this one so we know what you are using?</p> <p>2 MR. ROBERTSON: It's going to be Plaintiff's</p> <p>3 Exhibit 376 is the video, and Plaintiff's Exhibit 374 would be</p> <p>4 the hard copy paper capture of the screen shots.</p> <p>5 Q So we're clear, this is like the video playback? We can</p> <p>6 do the stop, forward, reverse by using these tools if we need</p> <p>7 to go back at any time?</p> <p>8 A Well, these tools are for the original capture. Mike and</p> <p>9 I are going to do it manually. I'm going to say stop and</p> <p>10 continue and probably say go back.</p> <p>11 Q We may have to go back because it moves quickly sometimes?</p> <p>12 A Sometimes it's too quick, and sometimes it's too slow.</p> <p>13 Right now we're going to start with a go back, so go back to</p> <p>14 the beginning.</p> <p>15 All right, so as the laptop screen exists, first I'm going</p> <p>16 to bring up the browser. I'm going to use Internet Explorer,</p> <p>17 so here we go. Stop. Now, again, I'm just going to tell you,</p> <p>18 you're going to see some times when not much is happening, but</p> <p>19 this is just a true-to-life recording of exactly what was on</p> <p>20 the screen at the time.</p> <p>21 Okay, so in your ordinary Internet Explorer browser, I've</p> <p>22 clicked on the favorites tab, and one of the favorites that</p> <p>23 I've saved is the Lawson portal.</p> <p>24 Q Is this an example of the drop-down menu you were talking</p> <p>25 about earlier?</p>	<p>638</p> <p>1 will be drop-down menus. I'm going to go click on this</p> <p>2 find/shop, and that's going to give me additional choices.</p> <p>3 Continue.</p> <p>4 Stop. So here are the choices. I can search the</p> <p>5 catalogs, I can do a Punchout. I'm going to do that later.</p> <p>6 Down there at the bottom is categories. So I'm going to go</p> <p>7 down and click on categories, because I want to do a category</p> <p>8 search. Continue.</p> <p>9 Stop. Now, remember with the UNSPSC codes, we said that</p> <p>10 there were four levels: Segment, family, class, and commodity.</p> <p>11 So what is showing here in the category tab, the category</p> <p>12 window, is the first three of a small set of these top level</p> <p>13 categories, these segment categories. So, remember, there</p> <p>14 could have been a hundred of them, 00 to 99, but here, for</p> <p>15 clarity, everyone exchanges those digits for names so that they</p> <p>16 have -- they make sense to humans.</p> <p>17 So my top choice there, live plant and animal material and</p> <p>18 accessories and supplies, that's one of the segment codes.</p> <p>19 Now, I don't know what code it is, 23, 99, I don't know. It</p> <p>20 doesn't matter. It is representative of what is in this very</p> <p>21 broad segment. So I'm going to scroll down and show you the</p> <p>22 others, and then I'm going to come back and pick one in the</p> <p>23 middle. Continue. See, we only had about six there. Stop.</p> <p>24 Q Let me ask you a question about that then. There are only</p> <p>25 six here to illustrate the functionality of it. Does the</p>

<p>639</p> <p>1 Lawson requisition self service you are using here have the</p> <p>2 capability to have more?</p> <p>3 A Absolutely.</p> <p>4 Q How many could it have?</p> <p>5 A It could be a hundred different segments. Each of those</p> <p>6 segments could have a hundred families. They could each have a</p> <p>7 hundred classes. They could each have a hundred commodities.</p> <p>8 Q I noticed you clicked on one of these segments?</p> <p>9 A The one I clicked there in the middle is communications</p> <p>10 and computer equipment and peripherals and components and</p> <p>11 supplies. So you can see how broad a category that segment</p> <p>12 name represents. So what we're going to do now is drill down</p> <p>13 to become finer-grained.</p> <p>14 So having clicked on that top level segment -- continue --</p> <p>15 stop. So underneath the segment is the family. Now, here we</p> <p>16 show that there's very little data in the system we were</p> <p>17 provided. Whereas there could be a hundred different family</p> <p>18 names, there's only one. So due to the paucity of data here,</p> <p>19 I'm going to click the only possibility I've got.</p> <p>20 All right, so I've done the segment. This is the family.</p> <p>21 I'm going to click on the family name, hardware and</p> <p>22 accessories. Continue.</p> <p>23 Stop. So now we're down to the class. There could have</p> <p>24 been a hundred classes, but, again, because there's so little</p> <p>25 data here, there's only two. So as I look at the class, I have</p>	<p>641</p> <p>1 All right, so I'm going to look at these two computers.</p> <p>2 You can see the first line item there is an IBM ThinkPad, and</p> <p>3 it has an item number of 6001. The one below it is a Dell</p> <p>4 Inspiron 8000. It has an item number of 6020. So I'm going to</p> <p>5 go click on the item number, and that's going to get us a</p> <p>6 description of this item.</p> <p>7 Q Before you do that, Doctor, does it have unit measure</p> <p>8 category?</p> <p>9 A Right. Under UOM, you see each.</p> <p>10 Q Does it have cost information?</p> <p>11 A Under cost, the ThinkPad is 2,500. The Dell is 2,000.</p> <p>12 Q Does it have description of the item?</p> <p>13 A It has a description, IBM ThinkPad T20 or Dell Inspiron</p> <p>14 8000 with Intel Pentium processors.</p> <p>15 Q You indicated it had an item number?</p> <p>16 A There is an item number.</p> <p>17 Q And it even provides for the Intel Pentium or the Dell</p> <p>18 Inspiron, the manufacturer?</p> <p>19 A I just covered up the description. Yeah. So not only do</p> <p>20 we have in this case the name of the computer, Dell Inspiron</p> <p>21 8000, we also have a little more descriptive information, that</p> <p>22 it's an Intel Pentium III processor.</p> <p>23 Okay. We'll continue. Oh, and stop. I should also note</p> <p>24 while we're here that over here is the Dell shopping cart, and</p> <p>25 it's obviously empty. It's supposed to be empty --</p>
<p>640</p> <p>1 a choice of computers or monitors and displays. So I'm going</p> <p>2 to go for computers. Continue.</p> <p>3 Stop. Now I'm down to the commodity level. The</p> <p>4 commodities, there should be a lot of them, but because of the</p> <p>5 paucity of data here, we have only one commodity category,</p> <p>6 notebook computers. So I'll click the only choice I've got,</p> <p>7 and then that will list the actual item data that is underneath</p> <p>8 the notebook computers commodity code. Continue.</p> <p>9 Stop. So now we see all of the items in the database that</p> <p>10 have the UNSPSC code for notebook computers, and there's only</p> <p>11 two, okay? Small database.</p> <p>12 Q So I understand, for the segments, there could have been</p> <p>13 thousands, for families there have been --</p> <p>14 A Hundreds.</p> <p>15 Q Hundreds. What is the next level?</p> <p>16 A So you start with segment.</p> <p>17 Q Class?</p> <p>18 A Could be a hundred. Then family -- each of those segments</p> <p>19 could have a hundred, and then each of those families could</p> <p>20 have a hundred classes, and each of the classes could have a</p> <p>21 hundred commodities.</p> <p>22 Q Those commodities, you could have thousands of items?</p> <p>23 A Right. Once you get down to the commodity level, you have</p> <p>24 unlimited number of items that map to that code. Here we have</p> <p>25 two. Okay, it's going to do the job, though.</p>	<p>642</p> <p>1 Q I think you misspoke. I think you said the Dell shopping</p> <p>2 cart.</p> <p>3 A I misspoke. This is the Lawson shopping cart right here</p> <p>4 where it says my cart. And so as I select items, they will</p> <p>5 show up in the shopping cart, but we'll see that. All right,</p> <p>6 so now I'm READY to drill down on the ThinkPad. Continue.</p> <p>7 So I click on that item number. Stop. And this retrieves</p> <p>8 the data in the item master and vendor item table database and</p> <p>9 tells me about the item. So we have an item number, we have a</p> <p>10 description, a unit of measure, a cost.</p> <p>11 We have a source vendor ID, 118, and a source vendor name,</p> <p>12 Office Max. So from observing this information that is</p> <p>13 produced, I know that this IBM ThinkPad has a vendor source of</p> <p>14 Office Max.</p> <p>15 Q Let me stop and ask a question, Doctor. There's a box</p> <p>16 there that says image not available. Does this RSS application</p> <p>17 have the ability to load images of the items offered for sale?</p> <p>18 A It does, and the documentation encourages one to do so.</p> <p>19 But, again, because of the paucity of data, we didn't have any</p> <p>20 item images in the data we were given.</p> <p>21 Q This is how it was provided to us; it could have been</p> <p>22 provided with an image, because the software permits you to do</p> <p>23 that?</p> <p>24 A Right. It could have been chock-full of images, but it</p> <p>25 wasn't. Okay, so I'm going to scroll down and up so you see</p>



<p>643</p> <p>1 all of the information that was presented to me as the user of 2 the RSS system, and then we'll go back and look at the other 3 Dell computer. So continue. So now I'm going to add that to 4 the cart. 5 Stop. So here in the Lawson shopping cart, I have my IBM 6 ThinkPad T20, item number 6001; quantity, one; unit of measure, 7 each; cost, \$2,500. So I'm going to park this item in the 8 shopping cart, but then I'm going to go back and look at the 9 equivalent items, equivalent in that they had the same UNSPSC 10 code. 11 All right, so we'll continue, and I'll click on this back 12 button over here. So here -- stop. Here is that second line 13 item as we saw before, the Dell Inspiron. So I'm clicking on 14 its item number, and we'll drill down on that and see what 15 information is provided there. Continue. 16 Stop. So similarly to what we saw before, this is the 17 other machine. It's an item -- I wiped it out. Item 6020, a 18 Dell Inspiron 8000 with Pentium III processor, a unit of 19 measure each, and a cost of 2,000. But it has a source vendor, 20 ID code of 124, and a source vendor name of Diablo. 21 So the first computer, the ThinkPad was coming from the 22 Office Max catalog. This is coming from the Diablo catalog. 23 So I stare at that, and I think which of these machines is a 24 better choice for me. I'm cheap, so I'm going to go with this 25 one. So I will add this one to the shopping cart, Lawson</p>	<p>645</p> <p>1 equipment. Stop. Oh, I might also note that the hierarchy 2 tree is being kept for me up here at the top. Here's my 3 segment level, here's my family level. As soon as I click here 4 on my class level, it will appear here and so on. 5 All right, so I'm about to click on laboratory, 6 environmental conditioning equipment for my third category. 7 Continue. 8 Stop. Okay, now, again, we're down to commodities. There 9 could be a hundred of these, but there's not. There's just 10 one. There's one commodity called glove boxes. So when I 11 click on this, I will see all the items in the item master 12 database and the vendor item table that have been encoded with 13 the UNSPSC code for glove boxes. Continue. 14 Stop. Once again, the database is small, so there's only 15 two entries under the commodity heading. Both of these are 16 boxes of sterile surgical gloves, so I'm going to pick one and 17 add that to my Lawson shopping cart. Continue. I'm going to 18 look at it first. Smart shopper. 19 Stop. All right. So I just did a drill-down as I did 20 with the computers. So you see we have an item number, 1036, 21 we have a description, gloves, sterile surgical, size seven. A 22 unit of measure. Here it's case, cost, 400 bucks, source 23 vendor. The ID number is 117, and the source vendor name is 24 Baxter Healthcare. 25 Continue. So scroll down and back up, and add that to my</p>
<p>644</p> <p>1 shopping cart, and delete the other one. So continue. 2 Okay, now stop. So now I have both notebook computers in 3 the Lawson shopping cart, and I'm going to go up here to this X 4 and delete the ThinkPad. Continue. 5 And like all good software, it asks me, do you really want 6 to delete that, and I say, yes. Okay. Stop. So at this 7 point, I have done the UNSPSC code, found two generally 8 equivalent notebook computers, chose one, added it to the 9 shopping cart, added the other one to the shopping cart, 10 deleted the first one. 11 So I've been able to convert one item from one source, the 12 ThinkPad from Office Max, into an equivalent item from another 13 source, the Dell Inspiron here, and having done that, I'm now 14 going to go back and pick another category and find another 15 item to add so that I'll have multiple items in my shopping 16 cart. 17 Okay, so I'm backed out -- because I did that drop-down 18 menu to categories, I'm back at the highest level, the segment 19 level. So continue. Scroll down. Stop. So this time my 20 segment level is laboratory and measuring and observing and 21 testing equipment. Continue. Stop. My family, again, there's 22 only two here, laboratory and scientific equipment, or 23 measuring or observing, or testing instruments and accessories. 24 Continue. 25 So I pick at my family, laboratory and scientific</p>	<p>646</p> <p>1 shopping cart. So here it is, gloves at the top, Dell computer 2 at the bottom. Now stop. I have finished shopping, so I have 3 the information from the database now in the shopping cart. My 4 next goal is to create a requisition. Then I'll need to get 5 that approved, and then I'll need to get that turned into 6 purchase orders. 7 So since the gloves and the Dell came from different 8 vendors, I will need two POs, one to each of those vendors, so 9 I'm going to click on checkout. Continue. All right, saved. 10 Stop. So it gives it a number, 911. So when I come into 11 this system next, I'm going to come in as a manager, and I'm 12 going to look for this order 911 that is existing in the 13 system. I'm going to find it among all other orders, and then 14 I'm going to get it approved. All right, continue. Status 15 needs approval. 16 All right, back to the portal home page, and now I'm going 17 to come in as a manager. Here are some requisitions, but 911 18 is not among them. Stop. Here is the requisition 911, and 19 that's the one I need to have approved. Continue. 20 Stop. So here we pull up the requisition, you see right 21 there, and we have the two line items, the Dell Inspiron and 22 the case of gloves. So I've logged in now as the manager when 23 I clicked on manager, and so here are the actions I can take: 24 Approve, reject, or unrelease, so I'm going to approve these. 25 Continue.</p>

<p>647</p> <p>1 Okay, approve, approve action to be taken. Okay. Work</p> <p>2 object. Taken, all right. Stop. So at this point, it looks</p> <p>3 like -- superficially it looks like I'm done. It looks like</p> <p>4 I've got it approved, but in this particular example, there</p> <p>5 were additional business logic rules that said, aha, you have a</p> <p>6 computer in there. That's a technical thing, so you need</p> <p>7 technical approval in addition to manager's approval. Okay,</p> <p>8 we'll go get that, too, so back I go as a manager. Continue.</p> <p>9 Approve technical items, find 911. There it is. Stop.</p> <p>10 And so now what I'm going to be approving is the fact that it's</p> <p>11 got a computer in there. Continue.</p> <p>12 Stop. While we're here, we may as well show, to show that</p> <p>13 I'm doing the technical approval, we have this item detailed</p> <p>14 down here that says it's the Dell computer from Diablo that I'm</p> <p>15 approving. So I go back up to approve it.</p> <p>16 Q Let me stop you for a second, Doctor, and ask you, we've</p> <p>17 been seeing a number -- some of the features that we're going</p> <p>18 to be talking about in the claims that were necessary about the</p> <p>19 product catalog and selecting product catalogs and doing</p> <p>20 comparison shopping using UNSPSC codes.</p> <p>21 MR. McDONALD: I object to the form, Your Honor.</p> <p>22 That wasn't a question.</p> <p>23 Q Let me ask this question: This approval process, is this</p> <p>24 part of the claimed elements that are being asserted here?</p> <p>25 A No.</p>	<p>649</p> <p>1 infringing. This is just how you make the system work, and</p> <p>2 then we'll see it -- turn the requisition or choose the</p> <p>3 requisition and then we'll see it.</p> <p>4 We've chosen the requisition, or have we? No, we're about</p> <p>5 to because I'm going to give it a name, and then we'll see it</p> <p>6 generate POs.</p> <p>7 So I'll call this job RQ911, give it a name, requisition</p> <p>8 number 911. Default delivery is five days. Release the</p> <p>9 purchase orders, yes. Choose an option for exception reports.</p> <p>10 There are some other boxes that are available. I don't need</p> <p>11 any of these. I'll go back to the main tab, and, okay, that's</p> <p>12 all I need to do, so I add this. And now I'm ready to submit</p> <p>13 it to the system for -- by submit, I mean turn the requisition</p> <p>14 into a PO. So I click on submit, give this a submit -- all</p> <p>15 right, and stop.</p> <p>16 Now, this process is actually running what we call in the</p> <p>17 background. The foreground is this PO 100 screen, and the</p> <p>18 program is running in the background converting the requisition</p> <p>19 to a purchase order, so when this was done in realtime, enough</p> <p>20 time had elapsed for that process to occur and for a report to</p> <p>21 be generated which is the purchase order.</p> <p>22 So what I'm going to do next is just go look at it,</p> <p>23 because it's been created. I just can't see it yet, so</p> <p>24 continue. I'm going to go up here to the print manager and</p> <p>25 click on that. Stop.</p>
<p>648</p> <p>1 Q Because there's an approval process which is an additional</p> <p>2 step or additional feature that's there beyond the claim</p> <p>3 elements, does that render a system non-infringing?</p> <p>4 A No.</p> <p>5 Q Having this approval process is irrelevant to the analysis</p> <p>6 when the jury needs to go back and determine whether or not the</p> <p>7 functionality either satisfies a system or method?</p> <p>8 A That's correct.</p> <p>9 Q Thank you.</p> <p>10 A Okay, so we're ready now to do the technical approval.</p> <p>11 Continue. So I'll click approval, approval action taken. Work</p> <p>12 object dispatched. Stop. Now, you heard me say earlier that</p> <p>13 in the purchase order module, there's a program called PO 100</p> <p>14 that turns requisitions into purchase orders. So I'm going to</p> <p>15 run that program, PO 100, and I'm going to tell it which</p> <p>16 requisition to go get. You might -- you may or may not recall</p> <p>17 that I said that information gets cached in the system and</p> <p>18 retrieved.</p> <p>19 This is retrieving the requisition data by the purchase</p> <p>20 order module, and then we'll see it generate POs. Okay, so now</p> <p>21 we're ready to run the PO 100 program. Continue.</p> <p>22 Stop. So here is the opening screen for the PO 100</p> <p>23 program. So I'm going to fill in job name and job description,</p> <p>24 I'm going to put in three pieces of information that the system</p> <p>25 requires. Here this has -- this part has nothing to do with</p>	<p>650</p> <p>1 So here this print manager keeps copies of the things it</p> <p>2 creates, and the very top one on the list is that job that I</p> <p>3 just named requisition number 911, and it was operated on by</p> <p>4 the PO 100 program. So when I go click on this, I'm going to</p> <p>5 reveal the purchase orders that have been created. Continue.</p> <p>6 Stop. So if you think of this screen and then the</p> <p>7 scroll-down menu as a big piece of paper, up here at the top we</p> <p>8 have some information like when it was run, and then here we</p> <p>9 have information that's important to a purchase order, namely</p> <p>10 who is doing the purchasing.</p> <p>11 So in this case, the buyer is the Metropolis Medical</p> <p>12 Center, and it's their -- somewhere in here it will say the</p> <p>13 delivery location is main. Well, I don't see that yet. It</p> <p>14 doesn't matter. What we're going to do now is scroll down a</p> <p>15 bit more. Okay, continue.</p> <p>16 Move from side to side, there's nothing to the right.</p> <p>17 Stop. So here is the first purchase order. Our buyer,</p> <p>18 Metropolis Medical Center, we have a vendor, 117. Baxter</p> <p>19 Healthcare is that vendor. We have an item number 1036. We</p> <p>20 have a description, sterile surgical gloves, size seven. Its</p> <p>21 source document was requisition 911. Quantity is one. Unit of</p> <p>22 measure is a case, and here's what I was looking for. The</p> <p>23 requesting location is main. And then here, the PO has been</p> <p>24 released. So this system has created the purchase order and</p> <p>25 released it.</p>

2011.01.06 Trial Transcript Day 3 1/6/2011 3:03:00 PM

<p>651</p> <p>1 Now, that's the first of two. So now I'm going to scroll  2 down some more. Continue. Stop. And here's the second PO.  3 So it's at the bottom of this conceptual sheet of paper. So,  4 again, we have the buyer, Metropolis. We have a vendor, number  5 124 from Diablo. The item number is 6020. The item  6 description is the Dell Inspiron 8000. It came from the 911  7 requisition. I'm ordering one of them in unit of measure each,  8 and I'm delivering it to main.  9 Now, here, for the second PO, it has been released. So  10 two POs have been created and released, and the report  11 summarizes two POs created. That's the end.  12 Q Thank you. Now, Doctor we're going to be going through  13 some more documents, and we have three more demonstrations to  14 sort of illustrate the functionality of this accused system.  15 And at some point, I'm going to be asking you to go through all  16 12 of these asserted claims for each element under the Court's  17 claim construction. Are you going to be able to do that for  18 me?  19 A Sure.  20 Q At this point, just keeping the Court's claim terms in  21 mind, let me just ask you, at a high level with respect to this  22 demonstration we just saw, and keeping the claim three and  23 claim 28 we talked about which include that element for  24 converting, did we see at least two product catalogs?  25 A Yes, we did.</p>	<p>653</p> <p>1 Q And were you able, using the UNSPSC, to find items that  2 were similar, generally equivalent?  3 A Yes, I converted that ThinkPad into a Dell.  4 Q Thank you. Doctor, I'd like you to take a look at  5 Plaintiff's Exhibit 280, and can you identify what this  6 document is?  7 A This is the Lawson Software response to Presbyterian  8 Healthcare Services.  9 Q So this is another one of those responses to an RFP?  10 A That's correct.  11 Q And what is it dated?  12 A March 22nd, 2005.  13 Q And if you could take a look at the page that begins with  14 barcode 196, if you would, sir. And here -- which has a Bates  15 number that ends 848.  16 A Yes, I'm there.  17 Q And here Presbyterian Hospital, in this -- here Lawson, in  18 this response to the request for proposal from the Presbyterian  19 Healthcare Services, is ask asking about requisitioning  20 capability from Lawson; is that right?  21 A Yes. That's exactly what it says.  22 Q And it says in the requisitioning capability, it's asking  23 to describe your ordering tools for various types of items,  24 stock, nonstock, and non-catalogs; do you see that?  25 A Mike, it is below there. There it is.</p>
<p>652</p> <p>1 Q Did we see the ability to select those product catalogs to  2 search?  3 A We did that through the categories.  4 Q Tell me what two product catalogs we saw?  5 A Office Max and Baxter Healthcare.  6 Q Did we also see Dell and Diablo?  7 A Yeah, that's right, we did.  8 Q And was there an ability to select the product catalogs?  9 A Yes, we did it through the categories.  10 Q Was there an ability to search for matching items in those  11 product catalogs?  12 A We did that.  13 Q How did we do that?  14 A We put in the -- we did the category search by marching  15 through the UNSPSC codes, picking a commodity and then picking  16 items.  17 Q Once you had selected those items from the office, from  18 the shopping cart, were you able to put them into a  19 requisition?  20 A Yes.  21 Q And did you -- were you able, from that requisition, after  22 you got the appropriate approvals which are not part of the  23 claims of the -- elements of claim, excuse me, were you able to  24 generate one or more purchase orders from that requisition?  25 A Yes, we did.</p>	<p>654</p> <p>1 Q Okay. And the response, is that on the next page?  2 A That's on the next page.  3 Q Let me -- okay, let's go to the next page. And in  4 response to this RFP, this Lawson requisition, is that one of  5 the modules that you've been describing today?  6 A It is.  7 Q What does it say that the capability is of Lawson  8 requisitions that Lawson is representing to the Presbyterian  9 Healthcare Services?  10 A That first paragraph says, Lawson requisitions enables  11 users to view online catalogs for stock and nonstock items,  12 select items from the catalog or a template, and add additional  13 comments to their requisitions.  14 Also, requesters can add non-catalog items such as service  15 or specials through item free form input. Additionally,  16 requester can view all previously created requisitions and  17 status with requisition inquiry.  18 So this tells us that the users can view online catalogs,  19 they can select items, and they can prepare requisitions.  20 Q And this is using that requisitions module that you  21 described; is that right?  22 A It is.  23 Q Let me ask you, there's an additional question on this  24 page where Presbyterian Healthcare Services asks Lawson to  25 quote, describe your system's ability to establish global</p>

739

1 MR. ROBERTSON: I don't know who he's going  
2 to question about it.

3 THE COURT: I'm sure he's going to question  
4 Dr. Weaver based on what he said. Not because I'm  
5 prescient or anything.

6 MR. ROBERTSON: I guess I don't have an  
7 objection to that.

8 THE COURT: Well, good then. We solved  
9 something.

10 Raise the blinds so that in the morning it  
11 will be open.

12 All right. I think that's everything. And  
13 you don't expect to finish tomorrow, is that right,  
14 Mr. Robertson? You don't expect to finish tomorrow,  
15 is that what your situation is?

16 MR. ROBERTSON: I do not, sir. I expect Mr.  
17 McDonald might have a half an hour or 45 minutes of  
18 cross-examination.

19 THE COURT: If you ask your questions bullet  
20 points, 30 minutes is plenty. Once you get beyond  
21 that, the expert bets you is generally what happens.

22 All right. Okay. So we're not going on  
23 Monday. You're going back on Tuesday. Thank you very  
24 much. Hope you feel better, all of you. Don't bring  
25 anything else up here.

740

1  
2 (The proceedings were adjourned at 5:15 p.m.)

3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25